

Air Force Personnel Center



Successful Centralization of an Air Force Wide Program: Injury Compensation

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Goals

- Define what the Injury Compensation program is and what benefits it provides
- Provide why and how the Air Force (AF) successfully centralized the Injury Compensation (IC) program to a single site
- How the IC program evolved from a 6 person team to the current 34



Goals (Con't)

- How the IC Office (ICO) converted a program managed in a completely paper environment into a nearly paperless one
- IC today: Expected and unexpected results from centralizing
- Most importantly, how this was and continues to be, a true team effort



Injury Compensation Program: What is it?

- Federal Employees' Compensation Act (FECA)
 - Provides compensation, medical care, reemployment to federal employees injured performing federal duties
 - Program managed by Department of Labor
 - Complexities of program require Injury Compensation Program Administrators (ICPA) to service needs of agency and injured civilians



Why Centralize?

- April 2006 AF Manpower Agency Personnel Services Delivery Workshop
- Oct 2007 and Feb 2008 AF Base representation meetings
- AF IC Program Audits: 2006 and 2008 found inconsistent servicing of IC files
 - Lapse in updated supporting medical reports
 - Lack of standardized fraud detection



Why Centralize? (Con't)

- Final recommendation to centralize IC program for AF to:
 - Transfer this workload from Central Personnel Flights (CPFs) and Large Civilian Centers (LCCs) to AFPC
 - Create an efficient & effective centralized IC program
 - Streamline and automate processes
 - Establish a dedicated & trained team of IC specialists
 - Potentially reduce AF medical & compensation costs



Do Your Homework: Round 1

- AFPC's Future Operations Office did just that, they
 - Verified effectiveness of other centralized programs
 - Developed 10 page Position Paper with extensive research on how to centralize:
 - Determined "As-Is" process vs. "To-Be" process
 - Researched conversion of paper files to electronic media



Do Your Homework: Round 1 (Con't)

- Created an Implementation timeline to transfer IC program from 107 bases in phases
- Established staffing needs for each phase
- Addressed Union requirements
- Defined marketing requirements



How We Centralized: Getting Organized

- Fall 2009: Staffing - 44 Full Time Equivalents (FTEs) reallocated to AFPC from all of AF
 - Began with 6 diverse Subject Matter Experts (SMEs)
 - Team composed of experts with Injury Compensation, Department of Labor, Employee Management Relations & Systems knowledge
 - Changed title: From Injury Compensation Program Administrator to Injury Compensation Specialist (ICS); 5 GS7T11s, 1 GS12
 - Broke program into key processes, developed checklist for each & assigned ownership within team



How We Centralized: Getting Organized (Con't)

- Developed master tracking tool
 - Current Base Injury Compensation Program Administrators (ICPA) POC & 1st contact date
 - I&I with union completed date
 - Date completed telecom on centralization process
 - Date completed telecom on claim files shipment
 - Date marketing material forwarded
 - AF Total Force Service Call Center (TFSC) notified



How We Centralized: Run a Pilot Program

- February 2010: Pilot centralization tested on 4 bases
 - Randolph, Sheppard, Goodfellow, & Laughlin
 - Bases shipped 4K paper claim files to AFPC for storage
 - Team built each case file into access database
 - Team successfully serviced all existing and new claims for period of Feb – July 2010



How We Centralized: Run a Pilot Program (Con't)

- July 2010: Pilot program approved, rest of AF transitioned over 2 yr. period
 - Requirement for robust case management tool met with implementation of RNT, startup: June 2011
 - Requirement to scan paper files to DM-5 met with scanning contract with National Public Records Center (NPRC) to begin Oct 2010



How We Centralized: Round 2

– 5 Largest AF Bases

- Oct 2010 – June 2011 transitioned IC workload for 5 Large Civilian Centers (LCCs) – “go big or go home”
 - Air Force District of Washington, Tinker, Hill, Wright-Patterson, & Robins Air Force Bases
 - 24K claim files
 - 17K paper files to AFPC-revised process & remaining 7K shipped directly to NPRC



How We Centralized: Round 2

– 5 Largest AF Bases (Con't)

- Over 6 months, increased staffing to 20 - Chief: GS-13 & 2 GS-12 Team Leads established
 - Solicited DOD Liaison site training
 - Established 1-to-1 mentoring
- Created “Intake” Team positions, ICS Assistant (ICSA) solely to process new claims, GS5T7 position



How We Centralized: Round 3, Knock Out Punch

- July 2011-Aug 2012 transferred 10 staff member within Air Force Personnel Center to IC team – team now at 35
 - DOD Liaison supported training + 1-on-1 mentoring
 - AF in midst of hiring freeze/supplemented IC with Interns & Summer Hires
- Jan-Aug 2012 final surge to transition IC workload for “Rest of Air Force”
 - Centralized 79 AF Bases in 8 months: 21k claim files!



How We Centralized: Round 3, Knock Out Punch (Con't)

■ Hiccups:

- Hiring Freeze/AF downsizing: IC not able to fill final 9 positions
- Bases undergoing closure, loss of personnel – bumped to front of line
- Union – Bases with I&I's pending were done last



Converting 53K Files to Electronic Media – Penalty Punch

- AFPC Future Ops researched options –
 - Scan paper files to electronic media was only real solution
 - Established contract with NARA/NPRC to scan
 - Established an index of forms to ensure uniform files
 - NPRC hired additional workers, still unable to meet demand, 3-9 months behind on scanning
 - Caused a backlog of paper (day forward mail)



Converting 53K Files to Electronic Media – Penalty Punch (Con't)

- AFPC Future Ops researched options (Con't) –
 - Resulted in 2nd contract for 18 months with Goodwill – 120K documents: \$50K
 - Unexpected: Not all open claim files transitioned/sent to AFPC IC. Did master check of all open files in DIUCS vs RNT, missing 1600 for one base alone
 - Final result: 53K paper files from 107 AF bases scanned electronically into EMR Library: \$1M, 21mo
 - Team members have desk scanners for daily mail, new case creation



Centralization Results: The Numbers

- Case Load: AFPC's IC Office centralized 53K files
 - Of these, 16.4K were open or 31%; IC successfully petitioned DOL to close 7.8K resulting in 16% open
- Today: We service 61K files, of these 9.4K open or 15.5%
- We equally service claims from every open AF base plus the 20 closed AF Bases with 1000+ open claims



Centralization Results: The Numbers (Con't)

- **New claims per year rate:**
 - 2010: 154.3K AF Civilians, 3667 new claims; or 1 new claim for every 42 civilians
 - 2015: 145.6K AF Civilians, 2635 new claims: or 1 new claim for every 55 civilians

- **Long Term Periodic Roll (PR) Claims:**
 - 2012: we had 2422 claimants on PR
 - 2015: we have 1701 claimants on PR



Centralization Results: Dollars

- Reduced Chargeback Year Costs to Air Force
 - AF's OWCP Bill 2011: \$135.6M
 - AF's OWCP Bill 2012: \$133.3M
 - AF's OWCP Bill 2013: \$126.4M
 - AF's OWCP Bill 2014: \$120.5M
 - AF's OWCP Bill 2015: \$118.2M
 - AF's OWCP Bill 2016: **\$ 53.7M at 6mos**



Centralization Results:

POWER Goals

- Supporting Presidential Protecting Our Workers and Ensuring Reemployment (POWER) Goals 4-6
 - Goal #4 Increase timely filing of injury claims (<10 days)
 - AF Goal is 91%
 - AF Rates: FY2011 - 84%; FY2016 2Q - 98%
 - Goal #5 Increase timely filing of wage-loss claims (<5 days) – AF Goal is 79%
 - AF Rates: FY2011 - 65%; FY2016 2Q – 95%
 - Goal #6 Lost Production Days- Average per disabled claimant – AF Goal is 23.8 days
 - AF Rates: FY2011 – 22.6 days; FY2015 -15.9 days



IC Team Structure: Present

- AFPC IC Office has 3 teams to support each base:
 - Tier 1/Intake New Claims Team – 9. Process new claims and short term cases
 - Tier 2/Specialized Case Management Team – 18 positions. Service open claims, other than long term cases
 - Tier 2/Periodic Roll Management Team – 4 positions. Service claimants on long term compensation and responsible for all investigations of claims with potential fraud indicators
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Program Improvements: Case Management

- Automated Case Management and Electronic File Storage
- Staffed with full-time SME's
- Trained to review claims and present challenges to DOL when warranted:
 - CY15: 2694 new claims submitted to DOL
 - Challenged 771 claims or 31%
 - DOL affirmed 235 challenges or 29%



Program Improvements: Fraud Detection

- Red Flag Indicator Checklist for every new claim
- CLEAR Desktop Tool – Used to validate claimant status
- Investigations Contract:
 - 2011- to present, IC awarded contract to perform background checks, surveillance on claims with red-flag indicator
 - Results: \$6.2M saved in cost avoidance. Claimants returned to work or elect retirement, compensation terminated by DOL (work injury resolved).



Program Improvement: Periodic Roll Management (PRM) Team

■ Dedicated PRM Team

- 4 members. Sole duty is to service AF's current 1701 claimants on long term compensation;
- These claimants account for 58% of AF OWCP Costs or \$69M of CBY15 \$118M
- Team monitors claims for current medical status & work capabilities
- Specialize in case investigations



Program Improvement: PRM Team (Con't)

- FY15 Administrative Actions and Impact: 36 cases that resulted in cost avoidance to AF of \$27.8M
 - 7 Claimants returned to work : \$7.3M
 - 19 Claimants compensation terminated: \$16M
 - 10 Reductions in compensation or overpayment/restitution \$1.8M
- FY11-14 Impact: 114 Cases that resulted in cost avoidance to AF of \$97.1M



Program Improvements: (Employees' Compensation Operations and Management Portal) ECOMP

- ECOMP: DOL process to file claims, AF piloted with DLA April 2015 replaced EDI for all of AF as of Aug 2015
 - Employee initiates claim from any computer in ECOMP, program creates an electronic email link to Supervisor. Supervisor completes their portion electronically via link
 - Process tracked from start to finish in ECOMP by AFPC IC Office
 - Receive claim numbers in as little as 20 mins vs. 48 hrs
 - Provides AFPC ICS with electronic access to DOL file
 - Great for job offers/returns to work, able to view current DOL decisions, medical records



Program Improvements: DoD Pipeline Program

- AF Pipeline Projected Cost Avoidance Totals
 - FY 15: 15 - \$21,452,453
 - FY 16: 8 - \$9,848,315
 - FY 05 – FY14: 184 - \$114,376,691
- AF Salary and Benefit Totals
 - FY 15: \$462,592
 - FY 16: \$777,410
 - FY 17: \$105,755



Why Centralization Worked: Team Pride & Ownership

- Gave process ownership to the Team. Made it clear this was “our” program, lets see what we can do with it
- Matched team member talent’s with a problem/duty and they “owned” it
- Team informed of every milestone/success no matter how small and provided recognition (from breakfast burritos to team outing)
- Team informed of every miss-step and involved in a team solution



Why Centralization Worked: Leadership Strategy

- Team Chief & Team Leads number one duty is to make sure every team member has what they need to perform their job and be successful
- Each team member is important and each team member is accountable for their work
- Objective measurement of every critical detail of program is tracked, shortcomings known early and corrective action taken



Why Centralization Worked: Leadership Strategy (Con't)

- Monthly team meetings perfect venue to discuss unique cases/challenges - Knowledge of OWCP program increased when provided by the team to the team
 - Publish monthly meeting minutes, required reading for team and any member absent for meeting
 - Shares DoD Liaison ECAB Decision summaries so team can apply similar case management actions
- Team provided flexible standards in early years of program – reduced pressure, freedom to try new options
- Current team standards are objective & achievable - Room/opportunity for the very best to shine



Summary- Winners by Unanimous Decision!

- Keys to a successful program:
 - Research existing programs
 - Gather key start up team with targeted disciplines
 - Provide training and mentorship
 - Develop team ownership and pride
 - Provide freedom to test & improve processes
 - Recognize accomplishments
 - Communicate
- And those 2006 & 2008 Injury Compensation AF Audit Agency (AFAA) failures?
 - **AFAA spent 5 months with AF IC Office Mar-Aug 2014 and we PASSED!**



Questions & Answers

QUESTIONS?



AF ICO: Contact Information

- Contact AFPC IC Team
 - Phone: Total Force Service Center, available 24/7, 1-800-525-0102
 - Email: injury.compensation@us.af.mil
 - FAX: DSN 665-2952, COM (210)565-2952
- Team Chief – Marty Watson (210)565-5537
 - martha.watson.2@us.af.mil
- Team Leads -
 - Pat Crawford (210)565-5529, patricia.crawford@us.af.mil
 - Donna Hardin (210)565-5518, donna.hardin@us.af.mil